

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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In re:

BKY No. 02-50651  
ADV No.

Jerry Raymond Reno, Sr.,

Debtor.

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Randall L. Seaver, Trustee

Plaintiff

COMPLAINT

vs.

Karen Goerts,

Defendant

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Randall L. Seaver, Trustee ("Trustee") of the Bankruptcy Estate of Jerry Raymond Reno, Sr.,  
("Debtor") as and for his Complaint against Karen Goerts ("Defendant"), states and alleges as  
follows:

1. Trustee is the duly appointed Chapter 7 Trustee of the bankruptcy estate of the Debtor.
2. This bankruptcy case was commenced on August 9, 2002 by the filing of a voluntary Chapter 7 petition.
3. This adversary proceeding is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
4. This court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. § 157 and § 1334. This case arises under 11 U.S.C. §§ 544, 547 and 550 and Minn. Stat. §§ 513.44, 513.45 and 513.47.
5. That in the year prior to the commencement of this bankruptcy case, the Defendant received transfers of the Debtor's funds in an amount of not less than \$8,000.00 ("Funds Transfers").

6. That, upon information and belief, in the year prior to the commencement of this bankruptcy case, the Defendant perfected a transfer of real property from the Debtor (“Real Estate Transfer”), said property being located in the county of Saint Louis, State of Minnesota, commonly known as 3954 Reinke Rd, Duluth, MN and legally described as:

The East ½ of the Southeast 1/4 of the Southwest 1/4, Section 7,  
Township 49 North of Range 15, Except the West 380 feet thereof.

(“Property”)
7. That, upon information and belief, the deed evidencing the Real Estate Transfer (“Goerts Deed”) was dated August 17, 2000 and recorded on December 21, 2001 in the Saint Louis County Recorder’s Office as Document No. 839165.
8. That, in the year prior to filing, there may have been other transfers from the Debtor or of the Debtor’s property to the Defendant that have not been disclosed to the Trustee (“Undisclosed Transfers”).
9. That the Defendant is the Debtor’s sister and therefore an insider as that term is used in 11 U.S.C. § 547.
10. The Funds Transfers and the Real Estate Transfer were made when the Debtor was insolvent or caused the Debtor to become insolvent.
11. That said Funds Transfers and the Real Estate Transfer are avoidable by the Trustee under 11 U.S.C. § 547 and Minn. Stat. §§ 513.44, 513.45 and the property transferred or the value thereof recoverable under 11 U.S.C. § 550, 551 and Minn. Stat. § 513.47.
12. That the Undisclosed Transfers, if any, are avoidable by the Trustee under 11 U.S.C. § 544, 547 and/or 548 and recoverable under 11 U.S.C. § 550, 551 and Minn. Stat. § 513.47

13. At all relevant times there was at least one creditor of the Debtor.

**WHEREFORE**, Plaintiff respectfully requests that this court make its Order:

- (1) Avoiding any and all transfers of the Debtor's funds or property to the Defendant in the year prior to filing under the authority of 11 U.S.C. § 547 and Minn. Stat. §§ 513.44, 513.45 and awarding Plaintiff the value thereof under 11 U.S.C. § 550 and Minn. Stat. § 513.47.
- (2) Entering judgment against the Defendant in the amount of \$8,000.00; and
- (3) Avoiding the transfer of the interest in the Property represented by the Goerts Deed pursuant to 11 U.S.C. §547 with the Goerts Deed and the transfer represented thereby automatically preserved for the estate pursuant to 11 U.S.C. §551 or entering judgment against Defendant in an amount equal to the value of the Property interest transferred pursuant to 11 U.S.C. §550.
- (4) Avoiding the Undisclosed Transfers under the authority of 11 U.S.C. § 544, 547 and/or 548 and ordering recovery of those transfers under 11 U.S.C. § 550 or 551.
- (5) Awarding the Plaintiff his costs and disbursements in this action and;
- (6) Granting such other and further relief as is just and equitable.

FULLER, SEAVER & RAMETTE, P.A.

Dated: July\_14\_\_, 2004

By: /e/ Roger B. Seaver

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